## FILED

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2004 DEC -9 PH 2: 37

U.S. EPA. REGION IX REGIONAL HEARING CLERK

Attorneys for Respondent, PANG & SON DISTRIBUTION, L.L.C.

UNITED STATES
ENVIRONMENTAL PROTECTION AGENCY
REGION 9
75 HAWTHORNE STREET
SAN FRANCISCO, CA 94105

| In Re:                                      | ) DOCKET NO. FIFRA-9-2004-0023   |
|---|--|
| PANG & SON DISTRIBUTION, L.L.C.  Respondent | ANSWER OF RESPONDENT PANG & SON DISTRIBUTION, L.L.C. AND REQUEST FOR A HEARING |

Respondent, Pang & Son Distribution, L.L.C. ("Respondent"), for itself alone, responds to the Complaint of Complainant, Environmental Protection Agency as follows:

- 1. Responding to paragraphs 1 through 10, 20 through 25, 28 through 30, 32 and 33 of the Complaint, Respondent is without information or belief sufficient to enable it to answer the allegations contained therein and, on that basis, deny generally and specifically each and every allegation contained therein.
- 2. Responding to paragraph 11 of the Complaint, Respondent denies that it is a Hawaii corporation but admits it is a Hawaii limited liability company organized and existing under the laws of the state of Hawaii.

- 3. Responding to paragraph 12 of the Complaint, Respondent admits it is the owner of the business identified therein.
- 4. Responding to paragraph 13 of the Complaint, Respondent admits it purchased cartons for retail of Frontline and Advantage products, but that it did so after consulting local and state officials regarding the packaging and sale of those products. Respondent denies that it intentionally or knowingly violated any laws in repackaging and selling the products. Respondent also alleges that the substance contained within the foreign packages was identical in every respect to the Frontline and Advantage products regularly sold over the counter in the United States today. Moreover, Respondent alleges that once EPA requested that it cease and desist from this practice, it immediately did so and has not engaged in the practice since that time.
- 5. Responding to paragraph 14 of the Complaint, Respondent admits it purchased foreign products for retail of Frontline and Advantage products, but that it did so after consulting local and state officials regarding the sale of those products. Respondent denies that it intentionally or knowingly violated any laws in repackaging and selling the products. Respondent also alleges that the substance contained within the foreign packages was identical in every respect to the Frontline and Advantage products regularly sold over the counter in the United States today. Moreover, Respondent alleges that once EPA requested that

it cease and desist from this practice, it immediately did so and has not engaged in the practice since that time.

- 6. Responding to paragraph 15 of the Complaint, Respondent admits it repackaged and sold Frontline and Advantage products, but that it did so after consulting local and state officials regarding the packaging and sale of those products. Respondent denies that it intentionally or knowingly violated any laws in repackaging and selling the products. Respondent also alleges that the substance contained within the foreign packages was identical in every respect to the Frontline and Advantage products regularly sold over the counter in the United States today. Moreover, Respondent alleges that once EPA requested that it cease and desist from this practice, it immediately did so and has not engaged in the practice since that time.
- 7. Responding to paragraphs 16 and 17 of the Complaint,
  Respondent admits empty cartons were seized. it purchased
  cartons for retail of Frontline and Advantage products, but that
  it did so after consulting local and state officials regarding
  the packaging and sale of those products. Respondent denies that
  it intentionally or knowingly violated any laws in repackaging
  and selling the products. Respondent also alleges that the
  substance contained within the foreign packages was identical in
  every respect to the Frontline and Advantage products regularly
  sold over the counter in the United States today. Moreover,
  Respondent alleges that once EPA requested that it cease and

desist from this practice, it immediately did so and has not engaged in the practice since that time.

- 8. Responding to paragraphs 18 and 19 of the Complaint,
  Respondent admits that Customs requested samples of its products
  and that Respondent immediately complied with the request in good
  faith.
- 9. Responding to paragraphs 26 and 27 of the Complaint,
  Respondent admits it sold Frontline and Advantage products and
  that those products are used to prevent or control fleas and
  ticks. Respondent also alleges that the substance contained
  within the foreign packages was identical in every respect to the
  Frontline and Advantage products regularly sold over the counter
  in the United States today.
- 10. Responding to paragraph 31 of the Complaint, Respondent admits it is not registered with the EPA and was not authorized by the registerants to produce Frontline or Advantage products. Respondent denies that it ever produced Frontline or Advantage products.
- 11. Responding to paragraph 34 of the Complaint, Respondent admits it purchased cartons and foreign product for retail of Frontline and Advantage products, but that it did so after consulting local and state officials regarding the packaging and sale of those products. Respondent denies that it intentionally or knowingly violated any laws in repackaging and selling the products. Respondent also alleges that the substance contained

within the foreign packages was identical in every respect to the Frontline and Advantage products regularly sold over the counter in the United States today. Moreover, Respondent alleges that once EPA requested that it cease and desist from this practice, it immediately did so and has not engaged in the practice since that time.

12. Responding to paragraphs 35 through 74 of the Complaint, Respondent admits it purchased cartons and foreign product for retail of Frontline and Advantage products to various retail establishments, but that it did so after consulting local and state officials regarding the packaging and sale of those products. Respondent denies that it intentionally or knowingly violated any laws in repackaging and selling the products. Respondent also alleges that the substance contained within the foreign packages was identical in every respect to the Frontline and Advantage products regularly sold over the counter in the United States today. Moreover, Respondent alleges that once EPA requested that it cease and desist from this practice, it immediately did so and has not engaged in the practice since that time.

#### AFFIRMATIVE DEFENSES

For its affirmative defenses, Respondent alleges as follows:

13. Respondent does not have the ability to pay the civil penalty proposed by Claimant and still continue in business as

established by the documents previously forwarded to Claimant's counsel on December 2, 2004.

- 14. Respondent has complied in good faith with every request of Claimant and other government agencies regarding its sale of the Frontline and Advantage products to the substantial detriment of its business and while incurring substantial attorneys fees and costs. Once EPA requested that it cease and desist from its practice, it immediately did so and has not engaged in the practice since that time.
- 15. Respondent did not intentionally or knowingly violate any laws in repackaging and selling the products.
- 16. Respondent alleges that the substance contained within the foreign packages was identical in every respect to the Frontline and Advantage products regularly sold over the counter in the United States today.
- 17. Respondent alleges that Frontline and Advantage products its sold have substantially low pesticide toxicity such that the danger posed to the public and the animals for whom the products were intended was negligible.
- 18. Respondent alleges that over the course of its business, it did not receive any complaints from retailers or individuals regarding injuries or damage relating to the use of the products.

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- 19. Respondent alleges that Frontline and Advantage products its sold have substantially low pesticide toxicity such that the danger posed to the environment was negligible.
- 20. Respondent alleges any civil penalty should be mitigated by the fact that it has never before and never since been cited as violating any statute enforced by Claimant.

### REQUEST FOR A HEARING

Respondent hereby requests an opportunity for a hearing before a Regional Judicial Officer.

DATED: December 7, 2004

JULANDER, BROWN & BOLLARD

Bv:

Dirk O Julander, Esq.

Attorneys for Respondent, PANG & SON DISTRIBUTION, L.L.C.

# PROOF OF SERVICE 1013A (3) CCP Revised 5/1/88

STATE OF CALIFORNIA, COUNTY OF ORANGE

I am employed in the County of Orange, State of California. I am over the age of 18 and not a party to the within action; my business address is Two Park Plaza, Suite 450, Irvine, California, 92614.

On December 8, 2004, I served a copy, with all exhibits, of the within ANSWER OF RESPONDENT PANG & SON DISTRIBUTION, L.L.C. AND REQUEST FOR A HEARING on the interested parties in this action by depositing copies of the above documents in a box or other facility regularly maintained by Overnite Express, Airbill No. 90531-010017-191 in an envelope or package designated by Federal Express with delivery fees paid or provided for as follows:

10 | SEE ATTACHED MAIL LIST

I declare under penalty of perjury under the laws of the State of California that the above is true and correct and that this declaration was executed on December 8, 2004, at Irvine, California.

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Nancy Marvel, Regional Counsel
David H. Kim, Assistant Regional Counsel
U.S. Environmental Protection Agency, Region 9
75 Hawthorne Street
San Francisco, CA 94105
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